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Summary of meeting with Secretary McNamara and Secretary Gilpatric, General Carter and Mr. McCone on 5 July 1962

Held for the purpose of reviewing recent discussions with Killian Board, Bureau of the Budget and others concerning intelligence community problems and the coordination of the Community

1. The Honolulu meeting on Southeast Asia will be called by McNamara about ~~February~~ 24th, exact date to be established. FitzGerald most welcome; McCone welcome but not necessary for him to attend. *July 24*

ACTION: Notify FitzGerald. Date of this meeting remains uncertain. He should be prepared to attend.

2. McNamara discussed at length the absence of meaningful intelligence on progress or lack of progress in Southeast Asia. McCone reported an intelligence effort substantially as reported to Special Group on 28 June, commenting in particular that both military and CIA had taken constructive steps but that no meaningful intelligence could be expected for a few months

McNamara complained he had absolutely no knowledge as to the success of the strategic hamlet project, whether advancing or standing still or going backward; whether accepted by SVN population; and expressed uncertainty concerning the effectiveness of strategic hamlets against Viet Cong actions.

ACTION: DCI agreed to file an immediate report answering questions raised by McNamara. DDCI to handle.

3. DCI noted General Carroll's request re organization of the USIB indicating this should not take place prior January, 1963. Also DCI reviewed Service intelligence representatives' positions on major issues, all of which were familiar to McNamara. SecDef indicated that he felt parochial approach intelligence problems would not be corrected until DIA firmly established and USIB reorganized.

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4. DCI reviewed briefly status NSA and the COMINT/ELINT effort, referring to various statements made by Director of BOB and recorded in July 2nd Memorandum for the Record and the Killian Board, recorded June 26th, Memorandum to the President. DCI particularly emphasized reports made to Killian Board (but not to DCI) that NSA had indicated intention to increase personnel from [] total for NSA and all Services to []. McNamara indicated very tight control of Defense intelligence community personnel, DIA billets to be filled so far as possible with equal reductions Service billets; no increases in Defense intelligence community personnel without specific approval of SecDef and he not inclined to approve increases. DCI indicated possibility of duplication in SIGINT effort, particularly in ELINT field, stating he intended conduct review at once. Also referred to Killian Board recommendation that entire unit SIGINT collection and processing should be controlled by NSA. DCI stated that careful control and direction of SIGINT collection and processing probably would reduce, rather than increase, billets. McNamara indicated absolutely no interest in DCI assistance in planning or management of Defense Intelligence Community activities, budget, personnel or operations.

ACTION: DCI initiate team to review SIGINT operations independently of SecDef and prepare recommendations to SecDef and President for implementing appropriate plans for centralized control of SIGINT activities centered in NSA, if study so warrants.

5. Reference Killian Board report, DCI reviewed NRO with particular reference to FIREFLY which obviously was handled "out of channel" by DOD. McNamara questioned use of OXCART, stating there existed a written commitment from Kennedy to Khrushchev that flying of manned aircraft over Soviet territory would not be undertaken by Kennedy Administration. McNamara expressed grave doubt on use of OXCART, and if done probably would have to be done without specific knowledge of President. McNamara further raised the question as to need of OXCART reconnaissance in view of approved satellite reconnaissance. McCone stated he had every intention of using OXCART and had so advised the President.

ACTION: DCI should immediately review all correspondence and commitments between the President and Khrushchev on this subject.

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6. DCI reviewed necessity of research audio-surveillance and urged SecDef support in this field, indicating close cooperation between CIA and DIA. Also reviewed BIGDISH which SecDef confirmed was cancelled. An announcement to be made.

7. DCI advised McNamara of proposed presentation of Soviet long-range capabilities, NIE 11-8 and suggested McNamara have available at the meeting summary of U.S. missile and bomber capabilities, '62, '64 and '67 as question would be raised. SecDef and DCI reviewed several schedules used as a basis for planning by SecDef. DCI noted all gave Soviets much higher capability than those contained in NIE 11-8.

8. DCI raised question of Cuban charges of military plane overflights out of Guantanamo, suggesting SecDef examine the matter carefully and issue appropriate denials.

9. In summary I feel that the SecDef has an agreed plan for the reorganization of the Defense intelligence community and he does not intend to expand the entire community; that the build-up of DIA would be coupled with a decrease in the Service individual intelligence efforts and personnel, that plans of reorganization extend over the next several months, that he has no immediate agreed plan with respect to the SIGINT activities and the role of NSA but is expecting General Blake to treat with this subject, that he is not particularly interested in DCI assistance on his internal problems and (although he did not express it) obviously feels that the DCI role should be confined to the interface between the Defense intelligence community and the balance of the National intelligence community. In this respect I feel that SecDef's views differ sharply from those of the President, the BOB and the Killian Board.

JOHN A. McCONE
Director

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